

STAFF REPORT

Meeting Date: September 17, 2003

TO: LAFCO Commissioners

FROM: Everett Millais, Executive Officer

SUBJECT: Municipal Service Reviews – Calleguas Creek Watershed Water and Wastewater Agencies

RECOMMENDATION:

- A. Accept the Calleguas Creek Watershed Service Review Report for the 15 agencies that provide water and/or wastewater services in south and east areas of Ventura County.
- B. Adopt separate resolutions for each of the following 15 agencies making findings that the action is exempt under the “general rule” exemption of the California Environmental Quality Act (CEQA) Guidelines (§15061(b)(3)) and approving water and/or wastewater service reviews and statements of determinations as required by Government Code §56430:

City of Camarillo
City of Simi Valley
City of Thousand Oaks
Calleguas Municipal Water District
Camarillo Sanitary District
Camrosa Water District
Hidden Valley Municipal Water District
Lake Sherwood Community Services District
Pleasant Valley County Water District
Triunfo Sanitation District
Ventura County Waterworks District No. 1
Ventura County Waterworks District No. 17
Ventura County Waterworks District No. 19
Ventura County Waterworks District No. 8
Ventura Regional Sanitation District

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LEGAL COUNSEL:
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DISCUSSION:

Background:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code §56000 et seq.) mandates that each LAFCO conduct service reviews prior to or in conjunction with Sphere of Influence (SOI) studies and updates. LAFCOs are also required to review and update the SOI for all agencies not less than once every five years.

In May 2002, after holding several public study sessions on how to best implement the municipal service review and sphere of influence update mandates, the Commission approved an overall work plan. The work plan divided the tasks into three phases. Because non-agricultural water and wastewater services were determined to be the core municipal services necessary for growth, the first phase of the process was established as a Countywide review of the public water and wastewater service providers.

After budgeting for professional consulting services to prepare the water and wastewater service reviews as a part of the 2003-2003 fiscal year budget, and after a public Request for Proposals process, the Commission entered into a professional services agreement with Project Design Consultants (PDC) in December 2002 to conduct the water and wastewater service reviews. The project manager for PDC is Joyce Crosthwaite. Ms Crosthwaite will be at the September 17 meeting to present the Final Draft of the Calleguas Creek Watershed Service Review Report.

The Report & Actions by the Commission

The Final Draft of the Calleguas Creek Watershed Service Review Report for 15 water and wastewater agencies was previously distributed to the Commission. The Report contains an Executive Summary, a summary review of each of the 15 agencies involved, and descriptive information about each of the nine factors that require written statements of determination, noting areas for special study. The Report also sets forth proposed written determinations for each of the nine mandatory factors for each agency. These proposed determinations are repeated in each of the attached resolutions recommended for action.

Appendix A to the Report contains copies of the survey responses received from each of the 15 agencies in the Calleguas Creek Watershed area. All of the 15 agencies were responsive and several provided helpful comments about the process and ways to improve the survey questions in the future. The survey responses and meetings with the individual agencies are the basis for the Report and for the recommended determinations.

The survey questions and responses have all been entered into a large database of information. This database is a unique feature of the approach being taken for service reviews by the Ventura LAFCO. The database will enable information to be easily updated, for reports to be generated as necessary based on selected information, and provides a base-line of public information that can be used for future service reviews.

Similar reports will be forthcoming for actions by the Commission on the 11 water and wastewater agencies in the Ojai/Ventura area in October and the 10 water and wastewater agencies grouped under the heading of the Santa Clara Watershed in late November or early December. Once the Commission has acted on all of the service reviews for the public water and wastewater agencies, the Reports will be finalized.

It is important to note that the actions recommended at this time relate only to water and wastewater service reviews. Sphere of Influence updates are not part of any of the recommended actions. It is expected that once the service reviews are completed for all of the water and wastewater agencies, early next year Sphere of Influence Update actions will be recommended for all agencies that don't require significant extra special study or CEQA review.

CEQA:

The Ventura LAFCO is the lead agency under CEQA for the service reviews now being recommended. The Commission must therefore address CEQA requirements before taking any action. In staff's opinion it could easily be argued that the water and wastewater service review actions being recommended are not a project under CEQA in that the actions will not result in a direct or reasonably foreseeable indirect physical change in the environment. Such a determination, however, would not result in any further public CEQA notice of action and potentially could be challengeable over an extended period of time. Thus, a more conservative approach of having the Commission determine that each of the 15 recommended actions are exempt from CEQA is recommended. This will result in the filing of a Notice of Exemption with the County Clerk for each action and, significantly, a 30-day period for anyone to challenge the CEQA determinations. If no challenge to the CEQA determination is filed by the end of the 30-day period, the actions are not subject to subsequent CEQA challenge in the future.

Staff, in conjunction with legal counsel, reviewed both the CEQA Guidelines and the CEQA discussion in the newly issued State Guidelines for Municipal Service Reviews. Based on this review it is recommended that the Commission find that each of the 15 separate actions recommended are exempt from CEQA under what is referred to as the "general rule" exemption. Specifically, CEQA Guidelines §15061(b)(3) provides that a project (each individual service review) is exempt from CEQA if:

"The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the

environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

Each of the recommended resolutions contains a finding that the action is exempt from CEQA based on this “general rule” exemption.

Public Hearing Notice:

Unlike Sphere of Influence changes, there are no special notice or public hearing requirements for actions on municipal service reviews. Notwithstanding this fact, the entire service review process is intended to be public and both the draft and newly issued final State Municipal Service Review Guidelines recommend taking action on service reviews at a noticed public hearing. Thus, the Calleguas Creek Watershed Service Review Report for water and wastewater services and the related recommended actions have been noticed and scheduled as a public hearing. Both legal and display ad notices were published in the Ventura County Star on Sunday, August 24, and notice and the Final Draft Report were posted on the Ventura LAFCO web site. Notice of the hearing was also posted at the County Government Center. Copies of the Final Draft Report have been distributed to all the affected agencies and to other interested agencies and individuals.